

THIS CONTRACT is made and entered into this the 1st day of July, 2014, by and between the TOWN OF SOUTHERN SHORES, a body corporate and politic existing pursuant to the laws of the State of North Carolina, (hereinafter referred to as "the TOWN"), party of the first part, and Atlantic Tree Experts, (hereinafter referred to as "the CONTRACTOR"), party of the second part.

1. SERVICES TO BE PROVIDED AND AGREED CHARGES

The services and/or material to be furnished under this contract (hereinafter referred to collectively as "SERVICES") and agreed charges are as follows:

The TOWN shall divide the TOWN into four sectors and the CONTRACTOR shall be required to complete limb and branch removal and disposal for one sector per week on a schedule as directed by the TOWN. The CONTRACTOR shall only be paid for the completion of a sector within the week specified.

Under this contract the CONTRACTOR shall:

1. Remove and dispose of any and all brush and woody items found stacked by residents on their property at the edge of the street right-of-way. Contractor is not required to pick up stumps, pine straw, leaves, grass clippings, lumber, roots, limbs more than 5 inches in diameter, rocks or any non-organic material. Pickup and removal of brush in each zone (once monthly) shall be limited to one pile of eligible brush per adjacent property a size of fifteen (15) feet long by four (4) feet high with all limbs a maximum of eight (8) feet long with all cut ends facing the road. Pickup and removal at any one adjacent property shall not exceed fifteen (15) minutes in duration.
2. Trim the highway right-of-way adjacent to the Town-maintained multi-use path along Highway 12. This entails trimming all trees and other vegetation to a height of ten (10) feet above the path, and for a minimum of one (1) foot to a maximum of five (5) feet on the side of the path as directed by the Town and depending on the size of the right-of-way. In doing this work, the CONTRACTOR shall use its best efforts to protect the life of the tree or other vegetation being trimmed, and to protect adjacent landscaping and other vegetation. The CONTRACTOR shall pick up and dispose of all trimmings in an appropriate and legal manner. The service described in this paragraph shall be performed on at least an annual basis and when determined to be needed by the Town for street safety purposes.
3. Complete each weekly sector by starting work in the TOWN no later than 12:00 Noon on Mondays (weather permitting) and working continuously each day until a sector is completed. The CONTRACTOR may begin the work day no earlier than 7:00 a.m., nor work later than 7:00 p.m. Monday through Saturday. No work shall be performed on Sundays or the following holidays: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Veterans Day, Thanksgiving Day and the day after Thanksgiving; Christmas Eve and Christmas Day;

4. CONTRACTOR shall be responsible to provide properly maintained equipment necessary for CONTRACTOR'S performance of this contract.

5. CONTRACTOR shall be available to provide unscheduled emergency storm debris cleanup and removal and general limb and branch removal service from the Town's streets, right-of-ways, beaches and canals as needed by the Town throughout the year. The TOWN shall pay the CONTRACTOR at the following rates:

- Removal from streets and right-of-ways: One hundred sixty five dollars (\$165) per hour.
- Removal from canals: Two hundred dollars (\$200) per hour.
- Removal from beaches: One hundred forty dollars (\$140) per hour.

6. Limb and branch removal services are only available for brush cut by homeowners. This removal service shall not be performed for any brush cut and placed by a contractor. The term "contractor" means any person or firm cutting and placing brush for compensation.

2. TERM OF CONTRACT

The term of this CONTRACT for SERVICES is from July 1, 2014 to June 30, 2018 and may be renegotiated with CONTRACTOR for each succeeding one-year period thereafter. Either party may nonetheless cancel this contract on ninety (90) days written notice to the other party by certified mail or personal delivery. This contract is subject to the availability of funds to purchase the specified SERVICES and may be terminated at any time if such funds become unavailable.

3. PAYMENT TO CONTRACTOR

The TOWN agrees to pay at the rates specified for SERVICES satisfactorily performed in accordance with this contract. Unless otherwise specified, the CONTRACTOR shall submit an itemized report to the TOWN at the end of each week worked showing the area of the TOWN that has been serviced under this contract. Such weekly report shall be on a form as proscribed by the TOWN.

The TOWN shall pay the CONTRACTOR a total base contract amount of one hundred and eight thousand two hundred dollars (\$108,200) from July 1, 2014 to June 30, 2015; one hundred and ten thousand dollars (\$110,000) annually plus applicable fuel surcharge from July 1, 2015 to June 30, 2016; one hundred and thirteen thousand five hundred dollars (\$113,500) annually plus applicable fuel surcharge from July 1, 2016 to June 30, 2017; and one hundred and fifteen thousand five hundred dollars (\$115,500) annually plus applicable fuel surcharge from July 1, 2017 to June 30, 2018. The CONTRACTOR will be paid annually in twenty-six (26) equal installments every two weeks.

Due to rising cost of fuel prices, beginning July 1, 2015 and thereafter, the CONTRACTOR may charge a monthly fuel surcharge for diesel fuel upon fuel cost exceeding a threshold amount per gallon. The fuel surcharge will be based on a percentage of the two week pay period. This surcharge will be negotiated and the contract will be amended to include it prior to July 1, 2015 based on the cost of fuel at that time.

4. INDEPENDENT CONTRACTOR

Both the TOWN and the CONTRACTOR agree that the CONTRACTOR shall act as an independent CONTRACTOR and shall not represent itself as an agent or employee of the TOWN for any purpose in the performance of the CONTRACTOR'S duties under this contract. Accordingly, the CONTRACTOR shall be responsible for payment of all Federal, State and local taxes arising out of the CONTRACTOR'S activities in accordance with this contract, including by way of illustration but not limitation, Federal and State income tax, Social Security tax, Unemployment Insurance taxes, and any other taxes or business license fees as required.

In performing the SERVICES, the CONTRACTOR is acting as an independent CONTRACTOR and shall perform SERVICES in accordance with currently approved methods and practice in the CONTRACTOR'S professional capacity and in accordance with the standards of applicable professional organizations and licensing agencies.

5. INSURANCE AND INDEMNITY

The CONTRACTOR shall indemnify and save harmless the TOWN, its agents and employees from and against all actions, liability, claims, suits, damages, cost or expenses of any kind which may be brought or made against the TOWN or which the TOWN must pay and incur by reason of or in any manner resulting from injury, loss or damage to persons or property resulting from negligent performance of or failure to perform any of its obligations under the terms of this CONTRACT.

The CONTRACTOR shall be fully responsible to the TOWN for the acts and omissions of its sub-CONTRACTOR'S and of persons either directly or indirectly employed by CONTRACTOR.

The CONTRACTOR shall forthwith, upon execution of this agreement, procure at his own cost and expense, a minimum of two million dollars (\$2,000,000 dollars) in liability insurance, and also appropriate vehicular and Workman's Compensation insurance policies so as to protect the TOWN against any and all claims for accidents to employees of the CONTRACTOR and accidents and claims that any other person or persons may have or sustain, and against any and all claims and demands for the performance of this contract and any act or thing done and performed in connection with this contract.

The CONTRACTOR shall furnish annually to the TOWN a current Certificate of Insurance from an insurance company licensed to do business in the State of North Carolina and acceptable to the TOWN, verifying the existence of any insurance coverage required by the TOWN.

6. HEALTH AND SAFETY

The CONTRACTOR shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the work. The CONTRACTOR shall take all necessary precautions for the safety of, and shall provide the necessary protection to prevent damage, injury or loss to all employees from the work and other persons who may be affected thereby.

7. NON-DISCRIMINATION IN EMPLOYMENT

The CONTRACTOR shall not discriminate against any employee or applicant for employment because of age, sex, race, creed, or national origin. The CONTRACTOR shall take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their age, sex, race, creed, or national origin. In the event the CONTRACTOR is determined by the final order of an appropriate agency or court to be in violation of any non-discrimination provision of federal, state or local law or this provision, this Contract may be canceled, terminated or suspended in whole or in part by the TOWN, and the CONTRACTOR may be declared ineligible for further TOWN contracts.

8. GOVERNING LAW

This contract shall be governed by and in accordance with the laws of the State of North Carolina. All actions relating in any way to this contract shall be brought in the General Court of Justice of the State of North Carolina or in the Federal District Court for the Eastern District of North Carolina.

9. OTHER PROVISIONS

This contract is subject to such additional provisions as are set forth in any addendum executed separately by each party and attached hereto.

10. CONTRACT DOCUMENTS/AMENDMENTS

This document together with the purchase order and any attached exhibits constitutes the entire Contract between the said two parties and may only be modified by a written mutual agreement signed by the parties and attached hereto. The parties agree that this Contract supercedes all prior contracts between the parties.

11. SIGNATURES

Both the TOWN and the CONTRACTOR agree to the above contract.

In Testimony Whereof, the parties have executed this Service Contract in duplicate originals the 28th day of May, 2014.

ATLANTIC TREE EXPERTS

By: Mark L. Fletcher
Owner

WITNESS OR ATTEST BY:

Michael Patrick

TOWN OF SOUTHERN SHORES

By: [Signature] 6-2-14
Town Manager

ATTEST

Town Clerk



This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

Bonnie Swain
Finance Officer